



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2011
OF THE CONDITION AND AFFAIRS OF THE

THP Insurance Company

NAIC Group Code 1297 (Current Period), 1297 (Prior Period) NAIC Company Code 60016 Employer's ID Number 55-0765726

Organized under the Laws of West Virginia, State of Domicile or Port of Entry West Virginia

Country of Domicile United States

Licensed as business type: Life, Accident & Health [X] Property/Casualty [] Dental Service Corporation []
Vision Service Corporation [] Other [] Health Maintenance Organization []
Hospital, Medical & Dental Service or Indemnity [] Is HMO, Federally Qualified? Yes [] No [X]

Incorporated/Organized 03/01/1999 Commenced Business 03/01/1999

Statutory Home Office 52160 National Road East E (Street and Number), St. Clairsville, OH 43950-9306 (City or Town, State and Zip Code)

Main Administrative Office 1137 Van Voorhis Road (Street and Number)
Morgantown, WV 26505 (City or Town, State and Zip Code) 740-695-3585 (Area Code) (Telephone Number)

Mail Address 52160 National Road East E (Street and Number or P.O. Box), St. Clairsville, OH 43950-9306 (City or Town, State and Zip Code)

Primary Location of Books and Records 1137 Van Voorhis Road (Street and Number)
Morgantown, WV 26505 (City or Town, State and Zip Code) 740-695-3585 (Area Code) (Telephone Number)

Internet Website Address www.healthplan.org

Statutory Statement Contact Jeffrey Michael Knight (Name) 740-695-3585 (Area Code) (Telephone Number) (Extension)
jeffk@healthplan (E-mail Address) 740-695-6161 (FAX Number)

OFFICERS

Name	Title	Name	Title
Philip D Wright	President	Robert C Kota	Secretary
Jeffrey M Knight	Treasurer		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Philip D Wright	Jeffrey M Knight	Robert C Kota	E David Mathieu
Patricia M Fast			

State of

ss

County of

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Philip D Wright
President

Robert C Kota
Secretary

Jeffrey M Knight
Treasurer

Subscribed and sworn to before me this _____ day of _____, _____

a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number _____
2. Date filed 03/01/2012
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	2,645,230		2,645,230	2,629,003
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	3,612,776		3,612,776	3,691,473
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$24,136,902 , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$0 , Schedule DA).....	24,136,902		24,136,902	18,913,230
6. Contract loans (including \$premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	30,394,908	0	30,394,908	25,233,706
13. Title plants less \$charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	20,024		20,024	19,943
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	500,794		500,794	503,857
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other than invested assets	26,604	26,604	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	30,942,330	26,604	30,915,726	25,757,506
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	30,942,330	26,604	30,915,726	25,757,506
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Miscellaneous A/R.....	26,604	26,604	0	0
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	26,604	26,604	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ reinsurance ceded)	6,254,981		6,254,981	5,778,681
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	197,198		197,198	194,230
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	675,058		675,058	283,321
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	1,210,379		1,210,379	1,324,842
9. General expenses due or accrued	465,512		465,512	643,570
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	1,058,450		1,058,450	647,887
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending.....			0	0
19. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
20. Reinsurance in unauthorized companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	9,861,578	0	9,861,578	8,872,531
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	51,820,000	36,820,000
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(33,265,852)	(22,435,025)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	21,054,148	16,884,975
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	30,915,726	25,757,506
DETAILS OF WRITE-INS				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	128,307	160,406
2. Net premium income (including \$0 non-health premium income).....	XXX	41,058,459	44,950,108
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	845
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	41,058,459	44,950,953
Hospital and Medical:			
9. Hospital/medical benefits		40,767,169	36,606,914
10. Other professional services		1,942,399	2,440,798
11. Outside referrals			0
12. Emergency room and out-of-area		2,537,091	2,764,557
13. Prescription drugs			0
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0
16. Subtotal (Lines 9 to 15)	0	45,246,659	41,812,269
Less:			
17. Net reinsurance recoveries		145,175	902
18. Total hospital and medical (Lines 16 minus 17)	0	45,101,484	41,811,367
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$670,873 cost containment expenses.....		1,364,172	1,466,232
21. General administrative expenses.....		5,430,852	5,693,787
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	51,896,508	48,971,386
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(10,838,049)	(4,020,433)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		239,549	134,982
26. Net realized capital gains (losses) less capital gains tax of \$203,992		203,992	34,704
27. Net investment gains (losses) (Lines 25 plus 26)	0	443,541	169,686
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	201	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	(10,394,307)	(3,850,747)
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	(10,394,307)	(3,850,747)
DETAILS OF WRITE-INS			
0601. Miscellaneous Income.....	XXX		845
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	845
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Miscellaneous Income.....		201	0
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	201	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting year	16,884,975	10,524,970
34. Net income or (loss) from Line 32	(10,394,307)	(3,850,747)
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(420,994)	210,645
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	(16,832)	107
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	15,000,000	10,000,000
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	1,305	0
48. Net change in capital and surplus (Lines 34 to 47)	4,169,172	6,360,005
49. Capital and surplus end of reporting year (Line 33 plus 48)	21,054,147	16,884,975
DETAILS OF WRITE-INS		
4701. Prior Period Correction.....	1,305	0
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	1,305	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	41,338,796	44,654,761
2. Net investment income	244,762	140,574
3. Miscellaneous income	0	845
4. Total (Lines 1 through 3)	41,583,558	44,796,180
5. Benefit and loss related payments	44,625,184	41,924,179
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions	6,969,913	7,108,599
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0
10. Total (Lines 5 through 9)	51,595,097	49,032,778
11. Net cash from operations (Line 4 minus Line 10)	(10,011,539)	(4,236,598)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	388,769	1,958,464
12.2 Stocks	2,577,370	2,819,848
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	1	1,756
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,966,140	4,780,068
13. Cost of investments acquired (long-term only):		
13.1 Bonds	409,600	2,961,411
13.2 Stocks	2,716,367	1,925,276
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	1,120
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,125,967	4,887,807
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(159,827)	(107,739)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	15,000,000	10,000,000
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	395,036	74,209
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	15,395,036	10,074,209
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	5,223,670	5,729,872
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	18,913,230	13,183,358
19.2 End of year (Line 18 plus Line 19.1)	24,136,900	18,913,230

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE THP Insurance Company

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	41,058,459	34,934,768	82,984	0	0	0	4,332,405	0	1,708,302	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$										XXX
medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	41,058,459	34,934,768	82,984	0	0	0	4,332,405	0	1,708,302	0
8. Hospital/medical benefits	40,767,171	34,344,971	58,281				4,078,203		2,285,716	XXX
9. Other professional services	1,942,400	1,699,919	3,808				238,673			XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	2,537,091	2,419,959	1,802				115,330			XXX
12. Prescription drugs	0	0								XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	45,246,662	38,464,849	63,891	0	0	0	4,432,206	0	2,285,716	XXX
16. Net reinsurance recoveries	145,175	145,175								XXX
17. Total hospital and medical (Lines 15 minus 16)	45,101,487	38,319,674	63,891	0	0	0	4,432,206	0	2,285,716	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$	670,873	1,160,711	2,757				143,945		56,759	
20. General administrative expenses	5,430,852	4,620,865	10,976				573,052		225,959	
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	51,896,511	44,101,250	77,624	0	0	0	5,149,203	0	2,568,434	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(10,838,052)	(9,166,482)	5,360	0	0	0	(816,798)	0	(860,132)	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)	35,039,439		104,671	34,934,768
2. Medicare Supplement	82,984			82,984
3. Dental only.....				0
4. Vision only.....				0
5. Federal Employees Health Benefits Plan				0
6. Title XVIII - Medicare	4,334,809		2,404	4,332,405
7. Title XIX - Medicaid.....				0
8. Other health.....	2,016,677		308,375	1,708,302
9. Health subtotal (Lines 1 through 8)	41,473,909	0	415,450	41,058,459
10. Life				0
11. Property/casualty.....				0
12. Totals (Lines 9 to 11)	41,473,909	0	415,450	41,058,459

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 OF THE THP Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	44,770,362	38,650,670	54,348				4,140,137		1,925,207	
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	145,175	145,175								
1.4 Net	44,625,187	38,505,495	54,348	0	0	0	4,140,137	0	1,925,207	0
2. Paid medical incentive pools and bonuses	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	6,254,980	4,930,087	37,249	0	0	0	707,426	0	580,218	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	6,254,980	4,930,087	37,249	0	0	0	707,426	0	580,218	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0									
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	5,778,680	5,115,908	27,706	0	0	0	415,357	0	219,709	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	5,778,680	5,115,908	27,706	0	0	0	415,357	0	219,709	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	45,246,662	38,464,849	63,891	0	0	0	4,432,206	0	2,285,716	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	145,175	145,175	0	0	0	0	0	0	0	0
12.4 Net	45,101,487	38,319,674	63,891	0	0	0	4,432,206	0	2,285,716	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	3,821,471	3,268,532	3,744				329,486		219,709	
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	3,821,471	3,268,532	3,744	0	0	0	329,486	0	219,709	0
2. Incurred but Unreported:										
2.1 Direct	2,433,509	1,661,555	33,505				377,940		360,509	
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	2,433,509	1,661,555	33,505	0	0	0	377,940	0	360,509	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct	6,254,980	4,930,087	37,249	0	0	0	707,426	0	580,218	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	6,254,980	4,930,087	37,249	0	0	0	707,426	0	580,218	0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	5,206,003	33,444,667	76,762	4,853,325	5,282,765	5,115,908
2. Medicare Supplement	14,154	40,194	251	36,998	14,405	27,706
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan .....					.0	.0
6. Title XVIII - Medicare	279,982	3,860,155	2,608	704,818	282,590	415,357
7. Title XIX - Medicaid.....					.0	.0
8. Other health	219,709	1,705,497		580,218	219,709	219,709
9. Health subtotal (Lines 1 to 8).....	5,719,848	39,050,513	79,621	6,175,359	5,799,469	5,778,680
10. Healthcare receivables (a).....		145,175			.0	.0
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts .....					.0	.0
13. Totals (Lines 9 - 10 + 11 + 12)	5,719,848	38,905,338	79,621	6,175,359	5,799,469	5,778,680

(a) Excludes \$loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	.32,335	.32,335	.32,335	.32,335	.32,335
2. 2007.....	23,737	27,388	27,388	27,388	27,388
3. 2008.....	XXX	24,482	29,120	29,185	29,185
4. 2009.....	XXX	XXX	30,702	35,392	35,425
5. 2010.....	XXX	XXX	XXX	32,768	37,796
6. 2011.....	XXX	XXX	XXX	XXX	33,445

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	.32,335	.33,075	.32,335	.32,335	.32,335
2. 2007.....	28,550	27,397	27,388	27,388	27,388
3. 2008.....	XXX	29,749	29,134	29,185	29,185
4. 2009.....	XXX	XXX	35,247	35,403	35,425
5. 2010.....	XXX	XXX	XXX	37,872	37,873
6. 2011.....	XXX	XXX	XXX	XXX	38,298

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2007.....	29,356	27,388		0.0	27,388	93.3			27,388	93.3
2. 2008.....	31,747	29,185		0.0	29,185	91.9			29,185	91.9
3. 2009.....	36,341	35,425		0.0	35,425	97.5			35,425	97.5
4. 2010.....	39,853	37,796		0.0	37,796	94.8	77		37,873	95.0
5. 2011.....	34,935	33,445		0.0	33,445	95.7	4,853	197	38,495	110.2

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A – Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	.342	.342	.342	.342	.342
2. 2007.....	.154	.191	.191	.191	.191
3. 2008.....	XXX	.89	.114	.114	.114
4. 2009.....	XXX	XXX	.26	.44	.44
5. 2010.....	XXX	XXX	XXX	.61	.75
6. 2011.....	XXX	XXX	XXX	XXX	.40

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	.310	.342	.342	.342	.342
2. 2007.....	.238	.191	.191	.191	.191
3. 2008.....	XXX	.154	.114	.114	.114
4. 2009.....	XXX	XXX	.112	.44	.44
5. 2010.....	XXX	XXX	XXX	.88	.75
6. 2011.....	XXX	XXX	XXX	XXX	.77

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare Supplement

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2007.....	.194	.191		.0.0	.191	.98.4			.191	.98.4
2. 2008.....	.167	.114		.0.0	.114	.68.2			.114	.68.2
3. 2009.....	.125	.44		.0.0	.44	.35.4			.44	.35.4
4. 2010.....	.104	.75		.0.0	.75	.72.1	.0		.75	.72.3
5. 2011.....	.83	.40		.0.0	.40	48.4	.37		.77	93.0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior0	.0	.0	.0	.0
2. 2007.....	.0	.0	.0	.0	.0
3. 2008.....	XXX	864	1,180	1,180	1,180
4. 2009.....	XXX	XXX	2,164	2,729	2,729
5. 2010.....	XXX	XXX	XXX	2,974	3,254
6. 2011.....	XXX	XXX	XXX	XXX	3,860

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior0	.0	.0	.0	.0
2. 2007.....	.0	.0	.0	.0	.0
3. 2008.....	XXX	1,255	1,180	1,180	1,180
4. 2009.....	XXX	XXX	2,993	2,729	2,729
5. 2010.....	XXX	XXX	XXX	3,389	3,256
6. 2011.....	XXX	XXX	XXX	XXX	4,565

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2007.....	.0	.0		.0	.0	.0			.0	.0
2. 2008.....	1,350	1,180		.0	1,180	87.4			1,180	87.4
3. 2009.....	2,958	2,729	.0	.0	2,729	92.3			2,729	92.3
4. 2010.....	3,204	3,254		.0	3,254	101.5	3		3,256	101.6
5. 2011.....	4,332	3,860		0.0	3,860	89.1	705		4,565	105.4

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	1,056	1,056	1,056	1,056	1,056
2. 2007	1,329	1,708	1,708	1,708	1,708
3. 2008	XXX	944	1,391	1,391	1,391
4. 2009	XXX	XXX	1,984	2,409	2,409
5. 2010	XXX	XXX	XXX	359	579
6. 2011	XXX	XXX	XXX	XXX	1,705

Section B – Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	1,056	1,056	1,056	1,056	1,056
2. 2007	1,708	1,708	1,708	1,708	1,708
3. 2008	XXX	1,391	1,391	1,391	1,391
4. 2009	XXX	XXX	2,775	2,409	2,409
5. 2010	XXX	XXX	XXX	579	579
6. 2011	XXX	XXX	XXX	XXX	2,286

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Other

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2007	1,828	1,708		0.0	1,708	93.4			1,708	93.4
2. 2008	2,301	1,391		0.0	1,391	60.5			1,391	60.5
3. 2009	2,267	2,409		0.0	2,409	106.3			2,409	106.3
4. 2010	1,789	579		0.0	579	32.4			579	32.4
5. 2011	1,708	1,705		0.0	1,705	99.8	580		2,286	133.8

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2011 OF THE THP Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	33,733	33,733	33,733	33,733	33,733
2. 2007.....	25,220	29,287	29,287	29,287	29,287
3. 2008.....	XXX	26,378	31,806	31,871	31,871
4. 2009.....	XXX	XXX	34,876	40,574	40,606
5. 2010.....	XXX	XXX	XXX	36,161	41,703
6. 2011.....	XXX	XXX	XXX	XXX	39,051

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	33,701	34,473	33,733	33,733	33,733
2. 2007.....	30,496	29,296	29,287	29,287	29,287
3. 2008.....	XXX	32,549	31,819	31,870	31,871
4. 2009.....	XXX	XXX	41,127	40,585	40,606
5. 2010.....	XXX	XXX	XXX	41,928	41,783
6. 2011.....	XXX	XXX	XXX	XXX	45,226

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2007.....	31,378	29,287	0	0.0	29,287	93.3	0	0	29,287	93.3
2. 2008.....	35,565	31,871	0	0.0	31,871	89.6	0	0	31,871	89.6
3. 2009.....	41,690	40,606	0	0.0	40,606	97.4	0	0	40,606	97.4
4. 2010.....	44,950	41,703	0	0.0	41,703	92.8	80	0	41,783	93.0
5. 2011.....	41,058	39,051	0	0.0	39,051	95.1	6,175	197	45,423	110.6

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE THP Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....	.0								
2. Additional policy reserves (a)	675,058	675,058							
3. Reserve for future contingent benefits .....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income) .....	.0								
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	675,058	675,058	.0	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	675,058	675,058	.0	.0	.0	.0	.0	.0	.0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....	0	0	3,262		3,262
2. Salaries, wages and other benefits.....	541,494	642,627	1,198,577		2,382,698
3. Commissions (less \$ceded plus \$assumed.....			1,347,910		1,347,910
4. Legal fees and expenses.....			37,619		37,619
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			140,410		140,410
7. Traveling expenses.....	7,034	1,961	14,064		23,059
8. Marketing and advertising.....	1,700	34	289,946		291,680
9. Postage, express and telephone.....			140,987		140,987
10. Printing and office supplies.....			82,215		82,215
11. Occupancy, depreciation and amortization.....	0	0	72,558		72,558
12. Equipment.....			81,680		81,680
13. Cost or depreciation of EDP equipment and software.....	30,660		75,581		106,241
14. Outsourced services including EDP, claims, and other services.....	45,470	7,529	366,045		419,044
15. Boards, bureaus and association fees.....	2,801	21	33,243		36,065
16. Insurance, except on real estate.....			38,479		38,479
17. Collection and bank service charges.....			82,207		82,207
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....			47,319		47,319
22. Real estate taxes.....			13,111		13,111
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....					0
23.2 State premium taxes.....			1,197,729		1,197,729
23.3 Regulatory authority licenses and fees.....					0
23.4 Payroll taxes.....	32,843	36,956	63,853		133,652
23.5 Other (excluding federal income and real estate taxes).....			22		22
24. Investment expenses not included elsewhere.....		0	77,507		77,507
25. Aggregate write-ins for expenses.....	8,871	4,171	26,528	0	39,570
26. Total expenses incurred (Lines 1 to 25).....	670,873	693,299	5,430,852	0	(a).....6,795,024
27. Less expenses unpaid December 31, current year.....		197,198	465,512		662,710
28. Add expenses unpaid December 31, prior year.....	0	194,230	643,570	0	837,800
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	670,873	690,331	5,608,910	0	6,970,114
DETAIL OF WRITE-INS					
2501. SMALL EQUIPMENT.....	115	357	5,111		5,583
2502. MISC PERSONNEL.....	4,852	2,470	12,522		19,844
2503. MEETING / ENTERTAINMENT.....	1,026	270	7,769		9,065
2598. Summary of remaining write-ins for Line 25 from overflow page.....	2,878	1,074	1,126	0	5,078
2599. Totals (Line 2501 through 2503 + 2598)(Line 25 above)	8,871	4,171	26,528	0	39,570

(a) Includes management fees of \$to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....21,185	.....21,185
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....88,660	.....89,198
1.3	Bonds of affiliates	(a) .....0	.....
2.1	Preferred stocks (unaffiliated)	(b) .....0	.....
2.11	Preferred stocks of affiliates	(b) .....0	.....
2.2	Common stocks (unaffiliated) .....	.....107,297	.....107,297
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e) .....21,869	.....21,869
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	239,011	239,549
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....0
17.	Net investment income (Line 10 minus Line 16)		239,549
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes \$5,861 accrual of discount less \$11,155 amortization of premium and less \$2,620 paid for accrued interest on purchases.
(b) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$ interest on capital notes.
(i) Includes \$depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5.
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....1,680	.....0	.....1,680	.....0	.....0
1.1	Bonds exempt from U.S. tax .....	.....0	.....0	.....0	.....0	.....0
1.2	Other bonds (unaffiliated)	(990)	.....0	(990)	.....0	.....0
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated)	203,301	.....0	203,301	(420,994)	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....0	.....0
5.	Contract loans .....	.....0	.....0	.....0	.....0	.....0
6.	Cash, cash equivalents and short-term investments .....	.....0	.....0	.....0	.....0	.....0
7.	Derivative instruments .....	.....0	.....0	.....0	.....0	.....0
8.	Other invested assets .....	.....0	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses)	203,991	0	203,991	(420,994)	0
DETAILS OF WRITE-INS						
0901.	Prior Year OTT adjustment .....			.....0		
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets	26,604	9,772	(16,832)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	26,604	9,772	(16,832)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	26,604	9,772	(16,832)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. Miscellaneous Accounts Receivable.....	26,604	9,772	(16,832)
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	26,604	9,772	(16,832)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	.0					
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	8,695	8,736	9,616	9,673	9,981	113,082
4. Point of Service.....	3,156	1,217	1,155	1,196	1,167	14,912
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	31	27	27	25	24	313
7. Total	11,882	9,980	10,798	10,894	11,172	128,307
DETAILS OF WRITE-INS						
0601. Medicare Select.....	31	27	27	25	24	313
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	31	27	27	25	24	313

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of THP Insurance Company are presented on the basis of accounting practices prescribed or permitted by the West Virginia Department of Insurance.

The West Virginia Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of West Virginia for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the West Virginia Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of West Virginia.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

THP Insurance Company prepares its statutory-basis financial statements in conformity with accounting practices prescribed or permitted by the State of West Virginia Insurance Commission. The State of West Virginia requires that insurance companies domiciled in the State of West Virginia prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the State of West Virginia Insurance Commission.

The more significant variances between statutory accounting practices prescribed or permitted by the State of West Virginia Insurance Commission and accounting principles generally accepted in the United States (GAAP) are as follows:

- Investments in bonds and mandatory redeemable preferred stocks are reported at amortized cost or fair value based on their National Association of Insurance Commissioners (NAIC) rating; for GAAP, such fixed maturity investments would be designated at purchase as held-to-maturity, trading, or available-for-sale. Held-to-maturity fixed investments would be reported at amortized cost, and the remaining fixed maturity investments would be reported at fair value with unrealized holding gains and losses reported in operations for those designated as trading and as a separate component of other comprehensive income, net of the related deferred taxes, for those designated as available-for-sale. Fair value for statutory purposes is based on the price published by the Securities Valuation Office of the NAIC (SVO), if available, whereas fair value for GAAP is based on quoted market prices.
- Certain types of assets are classified as "nonadmitted," including office furniture and fixtures and related accumulated depreciation, computer software and related depreciation, accounts receivable greater than 90 days, prepaid expenses, assets capitalized under capital leases, non-income producing investments, pharmacy rebates that do not meet specific criteria, and other assets not specifically identified as an admitted asset within the NAIC's *Accounting Practices and Procedures Manual* are excluded from the accompanying balance sheets and are charged directly to unassigned surplus. In

NOTES TO FINANCIAL STATEMENTS

accordance with GAAP, such assets are included in the balance sheet to the extent those assets are not impaired.

- Cash, cash equivalents, and short-term investments in the statement of cash flows represent cash balances and investments with initial maturities of one year or less. In accordance with GAAP, the corresponding captions of cash and cash equivalents include cash balances and investments with initial maturities of three months or less.
- Deferred Income Taxes: Deferred tax assets are limited to 1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse by the end of the subsequent calendar year, plus 2) the lesser of the remaining gross deferred tax assets expected to be realized within one year of the balance sheet date or 10% of capital and surplus excluding any net deferred tax assets, EDP equipment and operating software, and any net positive goodwill, plus 3) the amount of remaining gross deferred tax assets that can be offset against existing gross deferred tax liabilities. The remaining deferred tax assets are nonadmitted. Deferred taxes do not include amounts for state taxes. In accordance with GAAP, state taxes are included in the computation of deferred taxes, a deferred tax asset is recorded for the amount of gross deferred tax assets expected to be realized in future years, and a valuation allowance is established for deferred tax assets not realizable.

Other significant accounting practices are as follows:

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Short-Term Investments

Cash, cash equivalents, and short-term investments include demand deposits with financial institutions and highly liquid investments with maturities of one year or less.

Investments

Debt investments, which consist of government securities and corporate bonds, are recorded at amortized cost and equity securities are recorded at market value, as determined by the SVO. Premiums and discounts on debt investments are amortized on the effective yield method over the term of the investment. All mortgage-backed/asset-backed securities are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using either the retrospective or prospective methods. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the undiscounted estimated future cash flows.

Realized capital gains and losses are determined on the first-in, first-out cost method. Changes in admitted asset carrying amounts of bonds and common stocks are credited or charged directly to surplus.

THP Insurance Company continually reviews investments for impairment conditions that indicate that an other-than-temporary decline in market value has occurred. In conducting this review, numerous factors are

NOTES TO FINANCIAL STATEMENTS

considered which, individually or in combination, indicate that a decline is other than temporary and that a reduction of the carrying value is required. These factors include specific information pertaining to an individual company or a particular industry and general market conditions that reflect prospects for the economy as a whole.

As a result of the increased credit risk and reduced liquidity in the secondary marketplace for mortgage-backed securities, these products have experienced extreme price volatility and reduced trading activity. Exposure to these securities increases the risk of significant financial losses in the future as a result of the current situation in the financial markets.

Revenue Recognition

Member premiums are recognized as income in the period in which enrollees are entitled to receive health care services. Premiums received or billed prior to the period of coverage are classified as unearned premiums.

Reinsurance premiums are recognized as income in the period coverage is provided.

Medical Costs

THP Insurance Company provides medical care to its members under contracts with various health care providers. Medical costs payable includes estimates for claims reported, estimated claims costs for claims incurred but unreported, and the estimated adjustment expenses related to those claims as of the balance sheet date. Adjustments to prior period estimates of medical costs are reflected in the current period.

Medical costs payable, which include approximately \$580,000 and \$220,000 in 2011 and 2010, respectively, related to the reinsurance line of business represent management's best estimate. There is uncertainty as to whether the actual medical costs payable will conform to the assumptions inherent in the determination of the amount. Because of the uncertainties related to the recording of health care costs, the ultimate settlement of the health care cost estimates may vary significantly from the estimated amounts included in the accompanying financial statements.

2. Accounting Changes and Corrections of Errors:

A. NONE

B. Illustrative Disclosure for Insurers Upon Initial Implementation of Codification:

NONE

3. Business Combinations and Goodwill:

NONE

4. Discontinued Operations:

NONE

5. Investments:

A. Mortgage Loans - NONE

B. Debt Restructuring - NONE

NOTES TO FINANCIAL STATEMENTS

- C. Reverse Mortgages - NONE
- D. Loan-Backed Securities - NONE
- E. Repurchase Agreements - NONE
- F. Real Estate - NONE
- G. Low-Income Housing Tax Credits - NONE

6. Joint Ventures, Partnerships and Limited Liability Companies:

NONE

7. Investment Income:

NONE

8. Derivative Instruments:

NONE

9. Income Taxes:

Through December 31, 2010, the Company has incurred net operating losses (NOL) approximating \$19,800,000 for federal income tax purposes, which are available to offset future taxable income. The NOLs expire beginning in 2026 through 2031.

The potential tax benefit of the net operating loss carryforward has not been reported as an admitted asset in the financial statements due to the uncertainty of realizing these benefits in the foreseeable future.

10. Information Concerning Parent, Subsidiaries and Affiliates:

THP Insurance Company has a management services contract (Contract) with The Health Plan of the Upper Ohio Valley, Inc. The Contract requires THP Insurance Company to pay a fixed percentage of its monthly premium revenue to The Health Plan in return for executive management, administration, marketing, accounting, and claims administration services. For the years ended December 31, 2011 and 2010, THP Insurance Company paid approximately \$4,147,000 and \$4,331,000, respectively, to The Health Plan pursuant to the Contract. In addition, The Health Plan collects premiums for THP Insurance Company, which is settled on a monthly basis.

At December 31, 2011, THP Insurance Company reported no amount as due from parent. The terms of the settlement require that any amounts be settled within 30 days.

11. Debt:

A. Capital Notes
NONE

B. All Other Debt
NONE

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans:

NONE

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganization:

NOTES TO FINANCIAL STATEMENTS

NONE

14. Contingencies:

NONE

15. Leases:

NONE

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk:

NONE

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities:

NONE

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans:

NONE

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:

NONE

20. Fair Value Measurements

A. (1) Fair Value Measurements at Reporting Date

<u>Description for each class of asset or liability</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
a. Assets at fair value				
Perpetual Preferred stock				
Industrial and Misc				
Parent, Subsidiaries and Affiliates				
Total Perpetual Preferred Stock				
Bonds				
U.S. Governments	\$2,075,058			\$2,075,058
Industrial and Misc	622,705			622,705
Hybrid Securities				
Parent, Subsidiaries and Affiliates				
Total Bonds	\$2,697,763			\$2,697,763
Common Stock				
Industrial and Misc	\$3,612,776			\$3,612,776
Parent, Subsidiaries and Affiliates				
Total Common Stocks	\$3,612,776			\$3,612,776
Derivative assets				

NOTES TO FINANCIAL STATEMENTS

Interest rate contracts
 Foreign exchange contracts
 Credit Contracts
 Commodity futures contracts
 Commodity forward contracts
 Total Derivatives

Seperate account assets		
Total assets at fair value	<u>\$6,310,539</u>	<u>\$6,310,539</u>

b. Liabilities at fair value
 Derivative liabilities
 Total liabilities at fair value

21. Other Items:

A. Extraordinary Items - NONE
 B. Troubled Debt Restructuring - NONE
 C. Other Disclosures (Unusual Items) - NONE
 D. Disclose Uncollectible Assets - NONE
 E. Business Interruption Insurance Recoveries - NONE
 F. State Transferable Tax Credits - NONE
 G. Subprime-Mortgage Risk Exposure - NONE
 H. Retained Assets

22. Events Subsequent:

NONE

23. Reinsurance:

THP Insurance Company purchases reinsurance, which provides coverage for catastrophic inpatient hospital claims. Effective November 1, 2011, the deductible was \$400,000.

THP Insurance Company also purchases reinsurance for stop-loss insurance sold to self-insured groups administered by The Health Plan of the Upper Ohio Valley, Inc. The reinsurer is liable for up to 100% of claims and claim expenses per covered person per policy year in excess of \$300,000 above the specific deductible, and up to \$2,000,000 per covered person's lifetime. THP Insurance Company is contingently liable for reinsured losses to the extent that the reinsurance company cannot meet its obligations under the reinsurance contract.

Reinsurance expenses of \$415,000 and \$443,000 in 2011 and 2010, respectively, are included in the statements of operations and changes in surplus as a reduction of member premiums. Reinsurance recoveries of \$145,000 and \$1,000 for 2011 and 2010, respectively, are included in the statements of operations and changes in surplus as a reduction of medical cost expenses.

Neither THP Insurance Company nor any of its related parties control, directly or indirectly, any direct reinsurers with whom THP Insurance Company conducts business. No policies issued by THP Insurance Company have been reinsured with a foreign company, which is controlled, either directly or indirectly, by a

NOTES TO FINANCIAL STATEMENTS

party not primarily engaged in the business of insurance. The THP Insurance Company does not have any reinsurance agreements in effect, under which the reinsurer may unilaterally cancel the agreement.

24. Retrospectively Rated Contracts:

NONE

25. Change in Incurred Claims and Claim Adjustment Expenses:

The following table provides a reconciliation of the beginning and ending reserve balances for medical costs payable for the years ended December 31, 2011 and 2010:

	2011	2010
Reserve for medical costs at beginning of year	5,778,682	5,891,495
Add provision for medical costs occurring in:		
Current year	45,080,696	41,928,655
Prior years	20,788	(117,286)
Net incurred medical costs during the current year	45,101,484	41,811,369
Deduct payments for medical costs occurring in:		
Current year	38,905,339	36,161,140
Prior years	5,719,848	5,763,042
Net medical cost payments during the current year	44,625,187	41,924,182
Reserve for medical costs at end of year	6,254,981	5,778,682

26. Intercompany Pooling Arrangements:

NONE

27. Structured Settlements:

NONE

28. Healthcare Receivables:

NONE

29. Participating Policies:

NONE

30. Premium Deficiency:

Premium deficiency reserves are established for the amount of anticipated losses, loss adjustment expenses, commissions and other acquisition costs, and maintenance costs that have not previously been expensed in excess of the recorded unearned premium reserve and future installment premiums on existing policies. Premium deficiency reserves were \$675,000 and \$283,000 at December 31, 2011 and 2010, respectively.

NOTES TO FINANCIAL STATEMENTS

31. Anticipated Salvage and Subrogation:

NONE

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ NA ☐
- 1.3

State Regulating?

West Virginia
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2008
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

01/27/2010
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

01/27/2010
- 3.4

By what department or departments?

West Virginia Department of Insurance
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☒ No ☐ NA ☐
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ NA ☐
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11

sales of new business?

Yes ☐ No ☒
- 4.12

renewals?

Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21

sales of new business?

Yes ☐ No ☒
- 4.22

renewals?

Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,
- 7.21

State the percentage of foreign control
- 7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?.....

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 2100 One PPG Place, Pittsburgh Pa 15222
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?.....

Yes [] No [X]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?.....

Yes [] No [X]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?.....

Yes [X] No [] NA []
- 10.6

If the response to 10.5 is no or n/a, please explain
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?.....

Roger Schacht, Ernst & Young LLP, Dallas, TX 75201
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved.....
- 12.13

Total book/adjusted carrying value..... \$.....
- 12.2

If yes, provide explanation
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [X] No []
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No [X]
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] NA [X]
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []
- 14.11

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- 14.12

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- 14.13

Compliance with applicable governmental laws, rules and regulations;
- 14.14

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- 14.15

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is no, please explain:
- 14.2

Has the code of ethics for senior managers been amended?.....

Yes [] No [X]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?.....

Yes [] No [X]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

BOARD OF DIRECTORS

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below?.....
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.
- Yes [] No [X]

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
.....
.....
.....

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?.....
- Yes [X] No []
- Yes [X] No []
- Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers .. \$.....0

20.12 To stockholders not officers ... \$.....0

20.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers ... \$.....0

20.22 To stockholders not officers \$.....0

20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others \$.....

21.22 Borrowed from others \$.....

21.23 Leased from others \$.....

21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment \$.....

22.22 Amount paid as expenses \$.....

22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$.....0
- Yes [] No [X]
- Yes [] No [X]
- Yes [] No [X]
- Yes [] No [X]
- Yes [] No [X]
- Yes [] No [X]

INVESTMENT

- 24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3).....
- 24.2 If no, give full and complete information, relating thereto
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?.....
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs.
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs.
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?.....
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?.....
- 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?.....
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]

GENERAL INTERROGATORIES

- 25.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3)

Yes [] No [X]
- 25.2

If yes, state the amount thereof at December 31 of the current year:

25.21

Subject to repurchase agreements

\$

25.22

Subject to reverse repurchase agreements

\$

25.23

Subject to dollar repurchase agreements

\$

25.24

Subject to reverse dollar repurchase agreements

\$

25.25

Pledged as collateral

\$

25.26

Placed under option agreements

\$

25.27

Letter stock or securities restricted as to sale

\$

25.28

On deposit with state or other regulatory body

\$

25.29

Other

\$
- 25.3

For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes [] No [] NA [X]
- 27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [] No [X]
- 27.2

If yes, state the amount thereof at December 31 of the current year.

\$
28.

Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] No []
- 28.01

For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase	Wheeling, WV

- 28.02

For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes [] No [X]
- 28.04

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 28.05

Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address

GENERAL INTERROGATORIES

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [X] No []

29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2001. 04315J-83-7.....	Artio Intl Equity Fund.....	73,962
29.2002. 04314H-88-1.....	Artisan Intl Value Fund.....	157,407
29.2003. 091929-63-8.....	Blackrock High Yield Bond Fund.....	122,370
29.2004. 261980-49-4.....	Dreyfus/Laurel Funds Tr Prm Emergn Mkt.....	111,127
29.2005. 277911-49-1.....	Eaton Vance Mutual Funds.....	250,032
29.2006. 302933-20-5.....	FMI Funds Inc Large Cap Fund.....	119,317
29.2007. 416649-30-9.....	Hartford Cap Appreciation Fund.....	102,090
29.2008. 4812A0-70-6.....	JP Morgan Asia Equity Fund.....	126,825
29.2009. 4812A3-29-6.....	JP Morgan Intl Currency Income Fund.....	79,095
29.2010. 4812C1-71-0.....	JP Morgan Mid Cap Growth Fund - Select.....	54,086
29.2011. 4812A0-62-3.....	JP Morgan Em Mkts Equity Fund - Select.....	56,320
29.2012. 4812C0-49-8.....	JP Morgan Equity Income Fund - Select.....	103,818
29.2013. 4812A0-56-5.....	JP Morgan Intl Value Fund - Select.....	100,473
29.2014. 4812A2-10-8.....	JP Morgan Intrepid America Fund - Select.....	116,735
29.2015. 4812A2-30-6.....	JP Morgan Intrepid Value Fund - Select.....	41,046
29.2016. 4812C0-53-0.....	JP Morgan Large Cap Growth Fund - Select.....	136,858
29.2017. 4812C1-63-7.....	JP Morgan Market Exp Index Fund - Select.....	97,455
29.2018. 48121A-56-3.....	JP Morgan Tr I Infl Manged Bond Fund - Select.....	234,653
29.2019. 48121L-75-9.....	JP Morgan Tr I Midcap Core Bond Fund - Select.....	125,756
29.2020. 48121A-29-0.....	JP Morgan Tr I Mlt Sc Ind Fund - Select.....	123,493
29.2021. 4812A4-35-1.....	JP Morgan Str Inc Opp Fund.....	115,652
29.2022. 563821-60-2.....	Manning & Napier Fund Inc Equity Fund.....	302,032
29.2023. 577130-83-4.....	Matthews Pacific Tiger Instl Fund.....	74,609
29.2024. 55273E-82-2.....	MFS Intl Value Fund.....	104,133
29.2025. 76628T-67-8.....	Ridgeworth Funds SEIX Flrt Hi Inc Fund.....	240,666
29.2026. 78462F-10-3.....	Spdr S&P 500 ET Trust Fund.....	58,734
29.2999 TOTAL		3,228,744

29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
Artio Global Invt Intl Ed Fd II I.....	Eraport.....	1,805	10/31/2011.....
Artisan International Value Fund.....	Compass Group.....	9,082	12/31/2011.....
Blackrock High Yield Bond.....	Blackrock Liquidity Temp Fund Instl.....	9,924	12/31/2011.....
Dreyfus/Laurel Funds Tr Prm Emerg Mkt.....	Petroleo Brasileiro SA Petrobras ADR.....	3,978	12/31/2011.....
Eaton Vance Mutual Funds.....	Apple Inc.....	2,300	12/31/2011.....
FMI Large Cap Fund.....	3M Company Common Stock.....	6,467	12/31/2011.....
Hartford Mut Cap Appreciation Fd I.....	Ford Motor Company Common Stock.....	5,298	12/31/2011.....
JP MORGAN ASIA EQUITY FUND.....	Astra International Tbk.....	5,517	12/31/2011.....
JP Morgan Intl Currency Income Fund.....	JP Morgan Prime Money Market Fund.....	15,922	12/31/2011.....
JP Morgan Mid Cap Growth Fund.....	W.W. Grainger Inc. Common Stock.....	1,282	12/31/2011.....
JP Morgan Em Mkts Equity Fund.....	Samsung Electronics Co Ltd.....	2,951	12/31/2011.....
JP Morgan Equity Income Fund.....	JP Morgan Liquid Assets Money Market Fund.....	4,661	12/31/2011.....
JP Morgan Intl Value Fund.....	Royal Dutch Shell - A.....	5,757	12/31/2011.....
JP MORGAN INTREPID AMERICA FUND.....	Apple Inc.....	4,903	12/31/2011.....
JP Morgan Intrepid Value Fund.....	Pfizer, Inc. Common Stock.....	1,802	12/31/2011.....
JP Morgan Large Cap Growth Fund.....	Apple Inc.....	9,060	12/31/2011.....
JP Morgan Market Exp Index Fund.....	JP Morgan Liquid Assets Money Market Fund.....	1,199	12/31/2011.....
JP Morgan Tr I Infl Managed Bd Fund.....	FNMA Notes.....	9,527	12/31/2011.....
JP Morgan Tr I Midcap Core - Sel.....	JP Morgan Prime Money Market Fund.....	6,250	09/30/2011.....
JP Morgan Tr I Mlt Sc Inc - Sel.....	JP Morgan Prime Money Market Fund.....	19,845	08/31/2011.....
JP Morgan Strategic Inc Oppor Fund.....	JP Morgan Prime Money Market Fund.....	58,821	12/31/2011.....
Manning & Napier Fund Inc New Eq.....	Google, Inc.....	12,776	09/30/2011.....
Matthews Intl Fds Pac Tiger Fd.....	Hyundai Mobis.....	2,141	09/30/2011.....
MFS Intl Value.....	Royal Dutch Shell - A.....	3,249	12/31/2011.....
Ridgeworth Funds SEIX Flrt Hi Income.....	State Str Instl Invt Tr Treas Mmkt Fd Inst.....	27,219	12/31/2011.....
Spdr Tr Unit Ser 1.....	Apple Inc.....	2,097	01/31/2012.....

GENERAL INTERROGATORIES

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
30.1 Bonds.....	2,645,230	2,697,763	52,533
30.2 Preferred Stocks.....	0	0	0
30.3 Totals	2,645,230	2,697,763	52,533

- 30.4 Describe the sources or methods utilized in determining the fair values:
Custodian statements and SVO.....
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... Yes [X] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any?.....\$
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

- 34.1 Amount of payments for legal expenses, if any?.....\$
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [X] No []

1.2

If yes, indicate premium earned on U. S. business only.

\$ 1,770,090

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$ 1,963,447

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 311,502

1.62

Total incurred claims

\$ 156,088

1.63

Number of covered lives

1,509

All years prior to most current three years:

1.64

Total premium earned

\$ 1,458,588

1.65

Total incurred claims

\$ 1,807,359

1.66

Number of covered lives

8,448

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

0

2.

Health Test:

1

Current Year

2.1

Premium Numerator

\$ 41,058,459

2.2

Premium Denominator

\$ 41,058,459

2.3

Premium Ratio (2.1/2.2)

1.000

2.4

Reserve Numerator

\$ 6,930,039

2.5

Reserve Denominator

\$ 6,930,039

2.6

Reserve Ratio (2.4/2.5)

1.000

2

Prior Year

2.1

Premium Numerator

\$ 43,161,455

2.2

Premium Denominator

\$ 44,950,108

2.3

Premium Ratio (2.1/2.2)

0.960

2.4

Reserve Numerator

\$ 6,062,001

2.5

Reserve Denominator

\$ 6,062,002

2.6

Reserve Ratio (2.4/2.5)

1.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No []

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$ 400,000

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental and Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
THP Insurance has an agreement with HCC Life Company, our reinsurer, in the event of insolvency, HCC Life will provide continuation of coverage.

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

9,265

8.2

Number of providers at end of reporting year

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

9.22

Business with rate guarantees over 36 months

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?.....

Yes [] No [X]

10.2

If yes:

10.21

Maximum amount payable bonuses

\$.....

10.22

Amount actually paid for year bonuses

\$.....

10.23

Maximum amount payable withholds

\$.....

10.24

Amount actually paid for year withholds

\$.....

11.1

If the reporting entity organized as:

11.12

A Medical Group/Staff Model,

Yes [] No [X]

11.13

An Individual Practice Association (IPA), or,

Yes [] No [X]

11.14

A Mixed Model (combination of above) ?.....

Yes [] No [X]

11.2

Is the reporting entity subject to Minimum Net Worth Requirements?

Yes [X] No []

11.3

If yes, show the name of the state requiring such net worth.

West Virginia

11.4

If yes, show the amount required.

\$.....2,000,000

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes [] No [X]

11.6

If the amount is calculated, show the calculation

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area

13.1

Do you act as a custodian for health savings accounts?.....

Yes [] No [X]

13.2

If yes, please provide the amount of custodial funds held as of the reporting date.....

\$.....

13.3

Do you act as an administrator for health savings accounts?.....

Yes [] No [X]

13.4

If yes, please provide the balance of the funds administered as of the reporting date.....

\$.....

FIVE-YEAR HISTORICAL DATA

	1 2011	2 2010	3 2009	4 2008	5 2007
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	30,915,726	25,757,506	19,674,012	23,534,180	26,969,389
2. Total liabilities (Page 3, Line 24)	9,861,578	8,872,531	9,149,041	8,116,653	8,873,133
3. Statutory surplus	2,000,000	2,000,000	2,000,000	0	0
4. Total capital and surplus (Page 3, Line 33)	21,054,148	16,884,975	10,524,970	15,417,528	18,096,256
Income Statement (Page 4)					
5. Total revenues (Line 8)	41,058,459	44,950,953	41,173,204	34,980,747	31,168,070
6. Total medical and hospital expenses (Line 18)	45,101,484	41,811,367	39,633,462	31,336,918	30,185,849
7. Claims adjustment expenses (Line 20)	1,364,172	1,466,232	1,300,585	1,083,293	2,682,247
8. Total administrative expenses (Line 21)	5,430,852	5,693,787	5,675,261	4,954,177	3,313,655
9. Net underwriting gain (loss) (Line 24)	(10,838,049)	(4,020,433)	(5,436,104)	(2,393,640)	(4,918,078)
10. Net investment gain (loss) (Line 27)	443,541	169,686	(176,627)	413,095	1,065,551
11. Total other income (Lines 28 plus 29)	201	0	0	1,259	1,790
12. Net income or (loss) (Line 32)	(10,394,307)	(3,850,747)	(5,612,731)	(1,979,286)	(3,850,737)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(10,011,539)	(4,236,598)	(5,298,672)	(960,706)	(3,762,482)
Risk - Based Capital Analysis					
14. Total adjusted capital	21,054,148	16,884,975	10,540,662	15,417,528	18,096,256
15. Authorized control level risk-based capital	2,628,338	2,534,034	2,360,047	1,994,888	2,028,919
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	11,172	11,882	13,226	13,253	11,466
17. Total members months (Column 6, Line 7)	128,307	160,406	159,540	151,675	148,828
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	109.8	93.0	96.3	89.6	96.8
20. Cost containment expenses	1.6	1.6	1.6	1.6	XXX
21. Other claims adjustment expenses	1.7	1.7	1.6	1.5	6.4
22. Total underwriting deductions (Line 23)	126.4	108.9	113.2	106.8	115.8
23. Total underwriting gain (loss) (Line 24)	(26.4)	(8.9)	(13.2)	(6.8)	(15.8)
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	5,799,469	5,774,207	5,427,828	4,076,564	4,990,443
25. Estimated liability of unpaid claims—[prior year (Line 13, Col. 6)]	5,778,680	5,891,493	6,167,561	5,276,030	5,300,664
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
States, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N							0	0
2. Alaska	AK	N							0	0
3. Arizona	AZ	N							0	0
4. Arkansas	AR	N							0	0
5. California	CA	N							0	0
6. Colorado	CO	N							0	0
7. Connecticut	CT	N							0	0
8. Delaware	DE	N							0	0
9. Dist. of Columbia	DC	N							0	0
10. Florida	FL	N							0	0
11. Georgia	GA	N							0	0
12. Hawaii	HI	N							0	0
13. Idaho	ID	N							0	0
14. Illinois	IL	N							0	0
15. Indiana	IN	N							0	0
16. Iowa	IA	N							0	0
17. Kansas	KS	N							0	0
18. Kentucky	KY	N							0	0
19. Louisiana	LA	N							0	0
20. Maine	ME	N							0	0
21. Maryland	MD	N							0	0
22. Massachusetts	MA	N							0	0
23. Michigan	MI	N							0	0
24. Minnesota	MN	N							0	0
25. Mississippi	MS	N							0	0
26. Missouri	MO	N							0	0
27. Montana	MT	N							0	0
28. Nebraska	NE	N							0	0
29. Nevada	NV	N							0	0
30. New Hampshire	NH	N							0	0
31. New Jersey	NJ	N							0	0
32. New Mexico	NM	N							0	0
33. New York	NY	N							0	0
34. North Carolina	NC	N							0	0
35. North Dakota	ND	N							0	0
36. Ohio	OH	L	23,562,995	2,768,953					26,331,948	0
37. Oklahoma	OK	N							0	0
38. Oregon	OR	N							0	0
39. Pennsylvania	PA	L							0	0
40. Rhode Island	RI	N							0	0
41. South Carolina	SC	N							0	0
42. South Dakota	SD	N							0	0
43. Tennessee	TN	N							0	0
44. Texas	TX	N							0	0
45. Utah	UT	N							0	0
46. Vermont	VT	N							0	0
47. Virginia	VA	N							0	0
48. Washington	WA	N							0	0
49. West Virginia	WV	L	13,576,105	1,565,855					15,141,960	0
50. Wisconsin	WI	N							0	0
51. Wyoming	WY	N							0	0
52. American Samoa	AS	N							0	0
53. Guam	GU	N							0	0
54. Puerto Rico	PR	N							0	0
55. U.S. Virgin Islands	VI	N							0	0
56. Northern Mariana Islands	MP	N							0	0
57. Canada	CN	N							0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		37,139,100	4,334,808	0	0	0	0	41,473,908	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 3		37,139,100	4,334,808	0	0	0	0	41,473,908	0
DETAILS OF WRITE-INS										
5801.	XXX									
5802.	XXX									
5803.	XXX									
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	0	0	0	0	0	0	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

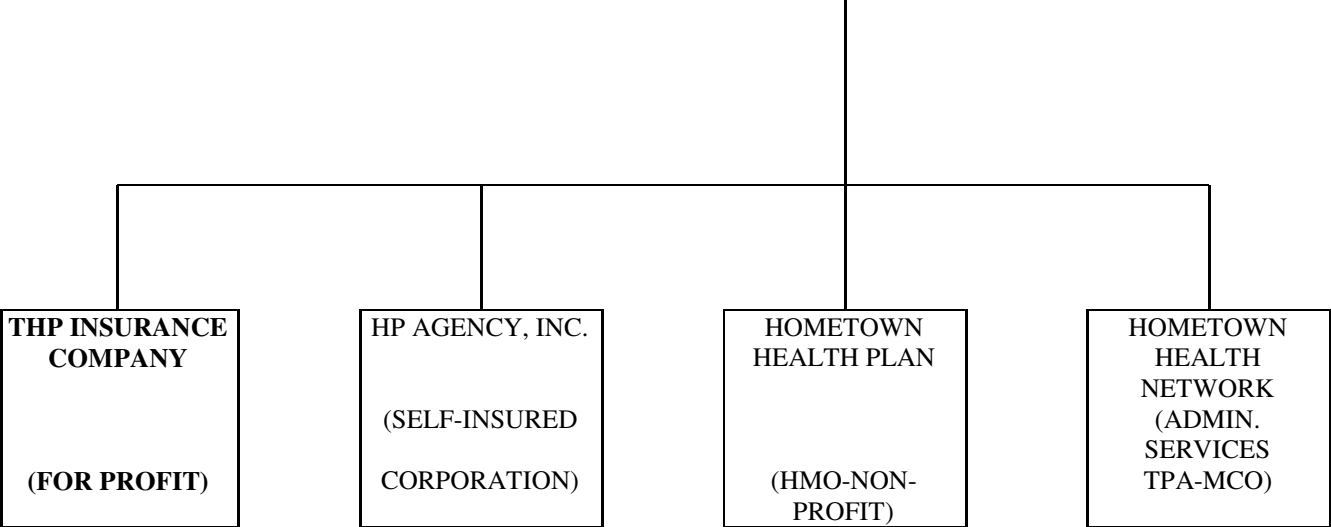
Explanation of basis of allocation by states, premiums by state, etc.

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

THE HEALTH PLAN OF
THE UPPER OHIO VALLEY, INC.



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